

Members:

Sen. Patricia Miller, Chairperson
Sen. Luke Kenley
Sen. Anita Bowser
Sen. Allie Craycraft
Rep. Vern Tincher
Rep. John Day
Rep. Timothy Brown
Rep. Dean Young



FAMILY AND SOCIAL SERVICES EVALUATION COMMITTEE

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Authority: P.L. 243-1997

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MEETING MINUTES

Meeting Date: September 29, 1998
Meeting Time: 10:30 A.M.
Meeting Place: State House, 200 W. Washington St., Room 233
Meeting City: Indianapolis, Indiana
Meeting Number: 8

Members Present: Sen. Patricia Miller, Chair; Sen. Luke Kenley; Sen. Allie Craycraft.

Members Absent: Sen. Anita Bowser; Rep. Vern Tincher; Rep. John Day; Rep. Timothy Brown; Rep. Dean Young.

Sen. Miller called the Family and Social Services Evaluation Committee to order at about 10:45 a.m..

Family and Social Services Administration (FSSA) Structure

Ms. Lauren Polite, Legislative Liaison, FSSA

Ms. Lauren Polite, FSSA, provided the Committee with a set of handouts which included: (1) FSSA Budget Consolidation Plan; (2) FSSA Organizational Charts; (3) Report on the Indiana SB 317 Task Force; and (4) the FSSA staff who would be providing testimony to the Committee.¹

Ms. Venita Moore, Acting Secretary, FSSA

Ms. Venita Moore, Acting Secretary of FSSA, stated that FSSA goals include: (1) providing quality services close to home; (2) encouraging collaboration among agencies and communities; (3) working to connect people with the correct services; (4) leveraging and blending funds; and (5) increasing accountability. She added that the focus of FSSA remains the same as when Ms. Kathy Davis was the Secretary of FSSA.

Ms. Sharon Steadman, Director of Managed Care, Office of Medicaid Policy and Program (OMPP)

Ms. Sharon Steadman, appearing for Ms. Kathy Gifford who is the Assistant Secretary for OMPP, described the Hoosier Healthwise expansion. Ms. Steadman stated that OMPP was increasing provider participation and that 23 primary medical care providers had been added since May. Ms. Steadman added that dental

¹These documents are on file in the Legislative Information Center, Room 230, State House, Indianapolis, Indiana. The telephone number of the Legislative Information Center is (317) 232-9856 and the mailing address is 200 W. Washington St., Suite 301, Indianapolis, Indiana 46204-2789.

access was being improved. Dental reimbursement has been increased by 147% and the number of dental providers had increased from 560 to 630.

Ms. Steadman also discussed the fiscal agent reprocurement process. OMPP had been working on the reprocurement for 1 ½ years and had awarded the claims processing contract to EDS. Health Care Excel was awarded a portion of the previous responsibilities and will perform utilization review and prior authorization.

Ms. Steadman also discussed the transition to the Case-Mix reimbursement system for nursing facilities. She stated that the development of the Case-Mix system has had a long and rocky history, but the planned implementation is set for October 1.

Ms. Steadman also stated that OMPP was expanding home and community-based care and was a partner with the Division of Disability, Aging, and Rehabilitative Services (DDARS) through the Medicaid Waiver Program. She also stated that OMPP was working closely with DDARS in the closing of the Newcastle State Developmental Center.

Ms. Debra Wilson, Director, Disability, Aging, and Rehabilitative Services (DDARS), FSSA

Ms. Debra Wilson, Director of Disability, Aging, and Rehabilitative Services, stated that DDARS was comprised of six bureaus and 2 state developmental centers with a staff of approximately 3,000 professionals ranging from medical/psychiatric doctors to case adjudicators. DDARS either provides or contracts with providers to provide human services to persons with disabilities.

Ms. Wilson stated that the focus areas for DDARS has been the closure of Newcastle State Developmental Center and the Northern Indiana State Developmental Center resulting in community-based settings for persons with developmental disabilities. She stated that the transition focused on consumer choice which is also espoused in the SB 317 Task Force Plan. This Task Force included consumers, parents of persons with disabilities, local political leaders, and academicians. The plan was presented to the MR/DD and Autism Commissions in July 1998. She stated that regional meetings are underway to present the plan to the public and gain support for the Task Force recommendation for \$39.3 million to support expanded services for persons with developmental disabilities. This request is not included in the FSSA budget request. She added that the current budget for these services is about \$14 million which would represent \$25.3 million in new dollars.

Ms. Wilson added that DDARS is currently reviewing its business processes to ensure optimization of existing resources, to deliver services to consumers as expeditiously as possible, and to involve stakeholders to the fullest extent.

Ms. Wilson responded to a question as to the method and the frequency in which individuals who are moved into community and home settings are monitored by stating that FSSA has contracted with an outside consultant to conduct a longevity study. Individuals who are moved into the community are contacted at 30, 60, and 90 day intervals and asked questions like: Do they feel safe? Are they getting the right services? and Do they like their living situation? She added that DDARS hired 11 persons to be "quality" monitors. In addition, there is an 800-number available for anonymous contact.

Ms. Janet Corson, Director, Division of Mental Health (DMH), FSSA

Ms. Janet Corson, Director, Division of Mental Health, discussed: (1) the implementation of the Hoosier Assurance Plan; (2) the best use of the state hospitals; and (3) DMH collaboration efforts. Regarding the Hoosier Assurance Plan, Ms. Corson stated that the basic challenge of DMH was the equitable allocation of limited public funds to care for consumers with the greatest clinical and financial need. DMH is trying to move away from funding providers and programs to funding eligible consumers. The focus now is to provide services in the community whenever possible through a modified managed care model. The managed care model provides prospective payments to a system of managed care providers for an array of care for eligible consumers.

Ms. Corson stated that DMH has: (1) instituted the prospective payment system and consumer choice for substance abuse (SA) and the seriously and emotionally disturbed (SED); (2) instituted the use of clinical

assessment tools by all providers; (3) required all providers to submit monthly enrollment and reimbursement reports to improve data collection; (4) established statewide reimbursement rates for SED, SA, and seriously mentally ill individuals; (5) completed two actuarial studies; (6) enhanced the evaluation of services, including a Consumer Service Line, an Indiana University consumer survey, and Report Cards for three populations; and (7) increased the amount of Medicaid Rehab Option dollars by \$229.6 million since 1992.

Ms. Corson stated that DMH is also evaluating and planning for the best use of the state hospitals relative to the state's needs. Regarding the state hospitals, she stated that the hospitals: (1) are one component of a wide array of services; (2) should complement community-based services; (3) need appropriate staffing; and (4) have a need for additional training.

Ms. Corson also discussed the collaborative efforts of the Division. She characterized those efforts in terms of: (1) collaboration within FSSA; (2) collaboration with other state agencies; and (3) collaboration with community-based organizations. Collaboration within FSSA included the Welfare-to-Work initiative (substance abuse treatment); supported employment with DDARS; housing issues with the Division of Family and Children (DFC); SED case management with DFC; and with OMPP by exploring managed behavioral health care for the Medicaid population. Collaboration with other state agencies included the Dawn Project in Marion County (DMH, Department of Education, Marion County DFC, and the Marion County Mental Health Association); planning for the New Castle State Developmental Center closing with the Department of Corrections (DOC); and exploring more family-focused community-based services for kids leaving the DOC. Collaboration with community-based organizations included working toward providing services to the under served populations (minorities, homeless, and those at risk of becoming homeless); and forming relationships through the Children's Health Insurance Program, the Indiana Private Investment Council, and the Center Township Trustee's Office to better provide services without duplicating existing efforts.

Mr. Jim Hmurovich, Director, Division of Family and Children (DFC), FSSA

Mr. Jim Hmurovich, Director of the Division of Family and Children, focused on the Welfare Reform initiative and how the FSSA infrastructure has supported this initiative. Mr. Hmurovich stated that welfare has moved from an entitlement process toward providing services to working families (with 20,700 adults and 63,300 children as of August 1, 1998). He added that there are approximately 1,700 TANF (Temporary Assistance for Needy Families Program) job placements per month (2,800 if Food Stamp Program job placements are included). He added that, because of the reduced welfare caseloads, DFC has reclassified 450 former eligibility caseworker positions to that of family counselors.

Mr. Hmurovich stated that DFC staff has been integrated into the community mainstream through Local Planning Councils, Early Intervention Teams, Child Protection Teams, IV-E Waiver Teams, and through various enrollment centers (Hoosier Healthwise, First Steps, numerous co-locations, and smaller neighborhood centers).

Mr. Hmurovich added that the FSSA infrastructure is supportive of these changes. The DFC central office has changed how it functions. The Hoosier Healthwise expansion has also provided an opportunity to reevaluate how DFC provides services and has led to a close relationship with OMPP. Mr. Hmurovich also stated that DFC participates in Program Review Teams where legal, fiscal, policy, and program staff work together to solve problems.

Mr. Joseph Pascucci, Director, Division of Organizational Development, FSSA

Mr. Joseph Pascucci, Director of the Division of Organizational Development (DOD), described organizational development as the combination of human resources, information technology resources, and staff development. The purpose of DOD is to help the other divisions do their jobs and achieve their goals. Mr. Pascucci explained that DOD accomplishes this by: (1) maintaining and supporting current operations of the agency; (2) assisting the agency in achieving its vision of "integrated services close to home"; and (3) acting as a catalyst or facilitator for future changes.

Mr. Pascucci explained how DOD supports the other divisions by stating that DOD maintains and supports the current operations of the agency by supplying services like installing PC's or hiring employees. He described two accomplishments: (1) the human resources area was reorganized into service teams

providing a single point-of-contact for the agency; and (2) Information Technology is partnering with a commercial company that will allow each business office to establish the service level it needs for PC support.

Mr. Pascucci further described how DOD assists the agency in achieving its vision of “integrated services close to home” by helping to integrate systems that will deliver services that cross organization boundaries, thus eliminating inefficiencies. He stated that a technology plan was developed and presented for the agency explaining how technology must support the changing business needs and that a human resources plan would be completed later this year. He also stated that DOD started a family-centered information system that allows people to understand all the programs and services the family is receiving. He added that FSSA operates over 200 independent systems and this effort integrates about 15 of those systems and will continue to grow.

Ms. Marjorie Gurnik, Director, Division of Policy and Budget, FSSA

Ms. Marjorie Gurnik, Director of the Division of Policy and Budget, described FSSA's budget consolidation plan. The revised budget format is to be used for the upcoming FY2000-2001 biennial budget. Ms. Gurnik stated that the current FSSA budget is composed of 144 accounts, each of which have different requirements regarding how the dollars can be spent. Consequently, funding does not easily follow consumers as they move through the service delivery system. She stated that different services are funded out of different appropriations, making it difficult to develop a comprehensive person-centered service plan that can be easily modified to meet the individual's changing needs.

Ms. Gurnik stated that the goals and objectives of the revised budget format are to: (1) more accurately reflect FSSA's business goals and objectives; (2) increase flexibility of funding to enable funds to more effectively follow consumers; (3) more accurately reflect what services FSSA is purchasing and providing, rather than from what appropriation or account the money comes; (4) emphasize funding for services, not categorical programs; and (5) streamline the budget so it is easier for advocates, consumers, legislators, and others to readily understand how resources are allocated.

Ms. Gurnik further stated that the revised format consolidates and streamlines accounts by eliminating 85 accounts (there will be 59 accounts instead of 144). She added that the revised format will also help to maintain data and reporting systems to ensure accountability by tracking how funds are spent by maintaining separate internal expenditure accounts for budgeting and tracking purposes. In the longer term, Ms. Gurnik stated that FSSA is developing a family-centered information system that will enhance accountability by enabling the agency to track across programs the services families receive, the costs, and the resulting outcomes.

Ms. Joyce Rogers, Acting Director, Division of Contract Management, FSSA

Ms. Joyce Rogers, Acting Director of the Division of Contract Management, explained that her division is involved with auditing, claims processing, procurement and administrative services. She added that the major focus was on moving the agency to performance-based contracts. The objective is to spend funds in an efficient manner with an increased focus on outcomes. Ms. Rogers added that, a component of performance-based contracting is determining the desired outcomes up front during the contract development process.

Ms. Charlotte MacBeth, Indiana Hospital and Health Association

Ms. Charlotte MacBeth, Indiana Hospital and Health Association, described two recent task forces involved in coordinating human services delivery. She explained that the root of the problem in the mental health area was that there are several different programs. Ms. MacBeth described the “Dawn Project”, a program in Marion County that serves a target group of children with serious emotional, mental, and behavioral disorders. Through the Dawn Project, a comprehensive spectrum of mental health and other necessary services are organized into a coordinated network to meet the needs of the children.²

²Copies of this document are on file in the Legislative Information Center (See footnote 1).

Ms. MacBeth stated that in Marion County, representatives from DMH, the Division of Special Education in the Department of Education, DFC, the juvenile court, community mental health centers, and the Marion County Mental Health Association designed one program, the Dawn Project, that blends funding streams and case management systems to help keep the kids out of institutions. She added that the Task Force will make recommendations to expand and replicate this program across the state and to incorporate Medicaid into the program.

Ms. MacBeth also described a second task force, the Coordination Work Group/CHIP Advisory Panel, associated with the Children's Health Insurance Program (CHIP). Ms. MacBeth provided a document, "Children's Programs in Indiana" prepared by this task force.³ She suggested that the Dawn Project could serve as a model for this population, as well.

Committee Discussion

The Committee briefly discussed several potential recommendations for legislation. They included the following concepts: (1) providing greater legislative oversight of administrative rulemaking; (2) retaining the current administrative structure of FSSA until 2002 with a legislative study in 2001; (3) requiring consolidation of FSSA's payment procedures to providers; (4) exempting certain state employees from the requirements of HEA 1961-1997 regarding qualifications to receive certification as a mental health counselor, social worker, or clinical social worker; and (5) a resolution requesting that a legislative study committee be formed to study all aspects of child abuse as it relates to FSSA. These concepts will be in draft form and distributed to Committee members before the next meeting of the Committee.

Mr. Eric Scroggins, Department Of Personnel

Mr. Eric Scroggins, Dept. Of Personnel, briefly described to the Committee information that had been mailed to Committee members since the previous meeting. This information included a list of all job classifications and a description of the minimum qualifications for those positions affected by HEA 1961-1997. The information also included benchmarks and minimum qualifications for the job classification of Family Case Manager that are not affected by HEA 1961-1997. Mr. Scroggins stated that 193 employees would be impacted by the legislation.

Mr. Scroggins also provided the Committee with a document describing the job classifications in which employees would be displaced and the annual separation rates for employee classifications affected by HEA 1961-1997.⁴

Ms. Cathy Graham, Deputy Director, Office of Family Protection/Family Preservation, FSSA

Ms. Cathy Graham, Deputy Director of the Office of Family Protection/Family Preservation, stated that FSSA is currently looking at the state of Illinois and what they are doing with respect to accreditation.

Other Business

Staff provided Committee members with a summary of the number of emergency rules adopted by certain commissions, as requested at the previous meeting of the Committee. The document contained the total number of rule additions, amendments, and repeals for the State Lottery Commission, the Indiana Gaming Commission, and the Indiana Horse Racing Commission.⁵

There being no further business to consider, the Committee was adjourned at about 12:20 p.m..

³Copies of this document are on file in the Legislative Information Center (See footnote 1).

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